

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW-01428A
Litchfield Park Service Company - Sewer
12725 W. Indian School Rd. Suite D101
Avondale, AZ 85392



RECEIVED

APR 16 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN06	07
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4-17-08

COMPANY INFORMATION

Company Name (Business Name) Litchfield Park Service Company

Mailing Address 12725 W. Indian School Rd. Suite D101

(Street)

Avondale

(City)

Arizona

(State)

85392

(Zip)

(623) 935-9367

Telephone No. (Include Area Code)

(623) 935-1020

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 12725 W. Indian School Rd. Suite D101

(Street)

Avondale

(City)

Arizona

(State)

85392

(Zip)

(623) 935-9367

Local Office Telephone No. (Include Area Code)

(623) 935-1020

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Greg Sorensen

(Name)

V.P.

(Title)

12725 W. Indian School Rd., Suite D101

(Street)

Avondale

(City)

AZ

(State)

85392

(Zip)

(623) 298-3753

Telephone No. (Include Area Code)

(623) 935-1020

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Bob Dodds

(Name)

General Manger

12725 W. Indian School Rd. Suite D101

(Street)

Avondale

(City)

Arizona

(State)

85392

(Zip)

(623) 935-9367

Telephone No. (Include Area Code)

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Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: C T Corporation System

(Name)

3225 N Central Ave

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 277-4792

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Richard Sallquist @ Sallquist & Drummond, P.C.

(Name)

4500 South Lake Shore Drive, Suite 339

(Street)

Tempe,

(City)

AZ

(State)

85282

(Zip)

(602) 224-9222

Telephone No. (Include Area Code)

(480) 345-0412

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME**Litchfield Park Service Company (Sewer)****UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights	1,783,426		1,783,426
354	Structures and Improvements	11,079,768	1,654,622	9,425,146
355	Power Generation Equipment	543,475	84,683	458,792
360	Collection Sewers - Force	1,111,164	56,668	1,054,496
361	Collection Sewers - Gravity	20,620,518	2,255,754	18,364,764
362	Special Collecting Structures			0
363	Services to Customers			0
364	Flow Measuring Devices	47,360	15,731	31,628
365	Flow Measuring Installations			0
370	Receiving Wells	860,393	150,022	710,371
380	Treatment and Disposal Equip.	5,174,324	1,147,364	4,026,959
381	Plant Sewers	23,117	5,008	18,109
382	Outfall Sewer Lines	343,681	60,123	283,558
389	Other Plant and Misc. Equipment	6,027,141	1,843,170	4,183,971
390	Office Furniture and Equipment	184,473	47,320	137,152
391	Transportation Equipment	19,193	6,081	13,112
393	Tools, Shop and Garage Equip.	44,408	8,181	36,227
394	Laboratory Equipment	173,405	44,672	128,732
395	Power Operated Equipment			0
398	Other Tangible Plant			0
	TOTALS	48,035,844	7,379,398	40,656,446

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME**Litchfield Park Service Company (Sewer)****CALCULATION OF DEPRECIATION EXPENSE**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	-		0
352	Franchises	-		0
353	Land and Land Rights	1,783,426		0
354	Structures and Improvements	11,079,768		368,531
355	Power Generation Equipment	543,475		23,608
360	Collection Sewers - Force	1,111,164		22,200
361	Collection Sewers - Gravity	20,620,518		392,297
362	Special Collecting Structures	-		0
363	Services to Customers	-		0
364	Flow Measuring Devices	47,360		4,601
365	Flow Measuring Installations	-		0
370	Receiving Wells	860,393		28,671
380	Treatment and Disposal Equip.	5,174,324		240,939
381	Plant Sewers	23,117		1,156
382	Outfall Sewer Lines	343,681		11,456
389	Other Plant and Misc. Equipment	6,027,141		313,876
390	Office Furniture and Equipment	184,473		9,817
391	Transportation Equipment	19,193		3,230
393	Tools, Shop and Garage Equip.	44,408		1,982
394	Laboratory Equipment	173,405		11,034
395	Power Operated Equipment	-		0
398	Other Tangible Plant	-		0
	SUBTOTAL	48,035,844		1,433,399
	CIAC Amortization			(295,364)
	TOTALS	48,035,844		1,138,035

This amount goes on Comparative Statement of Income and Expense Acct. 403

COMPANY NAME**Litchfield Park Service Company (Sewer)****BALANCE SHEET**

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 757,382	\$ 705,743
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	542,711	410,661
146	Notes/Receivables from Associated Companies	1,250	
151	Plant Material and Supplies		
162	Prepayments	356,596	371,372
174	Miscellaneous Current and Accrued Assets	148,585	140,553
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,806,524	\$ 1,628,329
	FIXED ASSETS		
101	Utility Plant in Service	45,576,163	48,035,844
103	Property Held for Future Use		
105	Construction Work in Progress	512,940	4,146,948
108	Accumulated Depreciation - Utility Plant	5,946,000	7,379,398
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 40,143,103	\$ 44,803,394
	TOTAL ASSETS	\$ 41,949,627	\$ 46,431,722

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

COMPANY NAME**Litchfield Park Service Company (Sewer)****BALANCE SHEET (CONTINUED)**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 122,552	\$ 195,606
232	Notes Payable (Current Portion)	107,500	115,000
234	Notes/Accounts Payable to Associated Companies	(37,845)	498,264
235	Customer Deposits	168,173	124,685
236	Accrued Taxes	93,565	145,115
237	Accrued Interest	84,406	84,406
241	Miscellaneous Current and Accrued Liabilities	235,229	364,055
	TOTAL CURRENT LIABILITIES	\$ 773,578	\$ 1,527,131
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 6,082,121	\$ 5,634,650
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$ 7,906,813	\$ 7,137,808
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	9,761,691	10,192,337
272	Less: Amortization of Contributions	1,114,725	1,320,180
281	Accumulated Deferred Income Tax	581,691	335,487
	TOTAL DEFERRED CREDITS	\$ 17,135,470	\$ 16,345,452
	TOTAL LIABILITIES	\$ 23,991,170	\$ 23,507,232
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 759,326	\$ 759,326
211	Other Paid in Capital	7,059,090	10,784,090
215	Retained Earnings	10,140,041	11,381,074
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 17,958,457	\$ 22,924,490
	TOTAL LIABILITIES AND CAPITAL	\$ 41,949,627	\$ 46,431,722

COMPANY NAME

Litchfield Park Service Company (Sewer)

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
521	Flat Rate Revenues	\$ 5,689,790	\$ 6,088,021
522	Measured Revenues		
536	Other Wastewater Revenues	179,493	195,503
	TOTAL REVENUES	\$ 5,869,283	\$ 6,283,524
	OPERATING EXPENSES		
701	Salaries and Wages		
710	Purchased Wastewater Treatment	685	335
711	Sludge Removal Expense	79,158	210,520
715	Purchased Power	548,573	625,892
716	Fuel for Power Production		
718	Chemicals	425,165	432,896
720	Materials and Supplies	98,971	85,425
731	Contractual Services - Professional	22,176	42,708
735	Contractual Services - Testing	43,063	26,225
736	Contractual Services - Other	1,018,258	1,468,087
740	Rents	35,682	51,507
750	Transportation Expense	18,612	39,330
755	Insurance Expense	31,996	42,187
765	Regulatory Commission Expense		
775	Miscellaneous Expense	51,752	75,864
403	Depreciation Expense	1,075,420	1,138,035
408	Taxes Other Than Income		
408.11	Property Taxes	78,000	455,666
409	Income Taxes	338,625	34,471
	TOTAL OPERATING EXPENSES	\$ 3,866,134	\$ 4,729,148
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 22,700	\$ 7,788
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	380,471	389,564
	TOTAL OTHER INCOME/EXP	\$ (357,771)	\$ (381,776)
	NET INCOME/(LOSS)	\$ 1,645,378	\$ 1,172,600

COMPANY NAME Litchfield Park Service Company
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	04/01/1999	06/01/2001		
Source of Loan	IDA	IDA		
ACC Decision No.	61655	63775		
Reason for Loan	Capital Expansion	Capital Expansion		
Dollar Amount Issued	\$5,335,000	\$7,500,000	\$	\$
Amount Outstanding	\$4,350,000	\$7,350,000	\$	\$
Date of Maturity	10/01/2023	10/01/2031		
Interest Rate	5.88%	6.70%	%	%
Current Year Interest	\$265,698	\$493,450	\$	\$
Current Year Principle	\$145,000	\$50,000	\$	\$

COMPANY NAME Litchfield Park Service Company
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WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Activated Sludge (SBR)
DESIGN CAPACITY OF PLANT (Gallons Per Day)	4,100,000 GPD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Litchfield Greens	2	5	75	3,000
LPSCO Lift Station No. 2	2	18	350	25,000
LPSCO Lift Station No. 3	3	47	1,050	30,000

FORCE MAINS

Size	Material	Length (Feet)
10"	PVC	17,550
12"	PVC	6,100
8"	DIP	3,550
10"	DIP	3,925
12"	DIP	47
16"	DIP	5,200
24"	DIP	6,484

MANHOLES

Type	Quantity
Standard	4,146
Drop	61

CLEANOUTS

Quantity
170

COMPANY NAME Litchfield Park Service Company

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4"	VCP;DIP;PVC	208,097
6"	VCP;DIP;PVC	4,602
8"	VCP;DIP;PVC	1,146,441
10"	VCP;DIP;PVC	68,443
12"	VCP;DIP;PVC	50,684
15"	VCP;DIP;PVC	80,480
18"	VCP;DIP;PVC	22,180
21"	VCP;DIP;PVC	23,016
24"	VCP;DIP;PVC	12,188
30"	VCP;DIP;PVC	3,663

SERVICES

Size (in inches)	Material	Quantity
4	VCP;DIP;PVC	114,732
6	VCP;DIP;PVC	81
8	VCP;DIP;PVC	7

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	Aerobic Digester/ Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Aqua Disk-Filter Disk
STRUCTURES (Buildings, Fences, Etc.)	The facility currently contains 4 steel frame buildings w/ concrete masonry unit (CMU) facia on enclosed concrete tank structures. The facility is bordered by aluminum fencing and gates.
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	1 Standby Generator, Tools, Lab Equipment, 8 Vehicles, 2 golf carts, 3 trailers

COMPANY NAME Litchfield Park Service Company

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan-07	17,314	101,650,000.0	3,570,000
Feb-07	17,115	94,015,000.0	3,650,000
Mar-07	17,158	101,235,000.0	8,451,000
Apr-07	17,226	105,810,000.0	4,365,000
May-07	17,231	96,168,000.0	4,711,000
Jun-07	17,350	93,447,000.0	3,626,000
Jul-07	17,349	116,235,000.0	4,387,000
Aug-07	17,457	100,666,000.0	3,851,000
Sep-07	17,560	101,314,000.0	3,538,000
Oct-07	17,585	98,943,000.0	3,958,000
Nov-07	17,661	100,302,000.0	4,515,000
Dec-07	17,661	104,606,000.0	4,076,000

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse, surface discharge
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100310
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	P100310
ADEQ Reuse Permit Number	R105272, R105472, R105221, R23573, R23618, R23577, R105644, R105706, R105669, R103615
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers _____ 17,661 _____

Total number of gallons treated _____ 1,214,391,000 _____

COMPANY NAME Litchfield Park Service Company YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual Federal Tax Liability

State Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual State Tax Liability

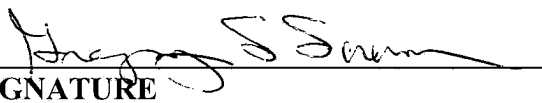
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>N/A</u>
Amount of Gross-Up Tax Collected	<u>N/A</u>
Total Grossed-Up Contributions/Advances	<u>N/A</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4/15/08
DATE

Gregory S. Sorenson
PRINTED NAME

VP Finance
TITLE

COMPANY NAME Litchfield Park Service Company YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 538,350

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

APR 16 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)
MARICOPA
NAME (OWNER OR OFFICIAL) TITLE
Greg Sorensen, V.P.
COMPANY NAME
LITCHFIELD PARK SERVICE COMPANY

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

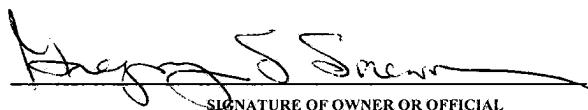
MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL

623 298 3753

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th **DAY OF**

COUNTY NAME
Maricopa
MONTH
April
2008



MY COMMISSION EXPIRES July 22, 2011


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

APR 16 2008

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF MARICOPA
NAME (OWNER OR OFFICIAL) TITLE Greg Sorensen, V.P.
COMPANY NAME Litchfield Park Service Company

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 6,283,524

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
623 298 3753
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF



(SEAL)

MY COMMISSION EXPIRES

July 22, 2011

COUNTY NAME <u>Maricopa</u>
MONTH <u>April</u> , 20 <u>08</u>


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

APR 16 2008

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF MARICOPA	
NAME (OWNER OR OFFICIAL) Greg Sorensen	TITLE V.P.
COMPANY NAME Litchfield Park Service Company	

**AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>5,273,723</u>

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X *Greg Sorensen*
SIGNATURE OF OWNER OR OFFICIAL
623 298 3753
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 15th DAY OF**

NOTARY PUBLIC NAME <u>Linda A. Byrd</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	<u>2008</u>

(SEAL)



MY COMMISSION EXPIRES

X *Linda A. Byrd*
SIGNATURE OF NOTARY PUBLIC

July 22, 2011